

REMARKS / DISCUSSION OF ISSUES

Claims 1-2, 4-11, and 23-45 are pending in the application. Claims 3 and 12-22 are canceled and claims 23-45 are newly added herein.

The applicants thank the Examiner for acknowledging the claim for priority and receipt of certified copies of all the priority document(s), and for determining that the drawings are acceptable.

The applicants thank the Examiner for providing information about recommended section headings. However, the applicants respectfully decline to add the headings. Section headings are not statutorily required for filing a non-provisional patent application under 35 USC 111(a), but are only guidelines that are suggested for applicant's use. (See Miscellaneous Changes in Patent Practice, Response to comments 17 and 18 (Official Gazette, August 13, 1996) [Docket No: 950620162-6014-02] RIN 0651-AA75 ("Section 1.77 is permissive rather than mandatory. ... [T]he Office will not require any application to comply with the format set forth in 1.77").

The Office action rejects:

claims 1, 4, 8-9 and 11 under 35 U.S.C. 102(e) over Leung et al. (USP 7,010,808, hereinafter Leung; and

claim 2 under 35 U.S.C. 103(a) over Leung and Messerges (USPA 2004/0103312, hereinafter MessergesI), and

claims 2 and 4-7 under 35 U.S.C. 103(a) over Leung and Messerges (USPA 2004/0088541, hereinafter MessergesII). The applicants respectfully traverse these rejections.

Neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests measuring a distance between a first and second device, and allowing the second device access to associated content if the distance between the first device and the second device is smaller than a maximum access distance, as specifically claimed in claim 1, upon which claims 2 and 8 depend.

Neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests deriving and distributing a subright from a master right to the second device, and revoking the subright at the second device when the master right exits the network, as specifically claimed in claim 4, upon which claims 5-7 depend.

Neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests deriving a subright from a master right at the first device, wherein control of the type of access that the second authorized device is given to the associated content by the subright are set by the first authorized device, as specifically claimed in claim 9.

Neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests distributing the subright to the second device and contacting the first authorized device after receiving the subright and before exercising the subright by the second authorized device, as specifically claimed in claim 11.

The Office action asserts that MessergesI teaches measuring the distance between the first and second device. The applicants respectfully disagree with this assertion, and respectfully note that the Office action fails to identify where MessergesI provides this teaching.

MessergesI teaches the use of a short-range communication channel to communicate a subright from a first device to a second device. The applicants respectfully note, however, that the use of a short-range communication channel does not correspond to measuring a distance between the devices, and does not provide the security that such a measure of the distance provides.

Because MessergesI fails to teach or suggest measuring the distance between the devices before transferring the sub-right, as specifically claimed in claim 1, the applicants respectfully request the Examiner's reconsideration of the rejection of claims 1, 2, and 8.

The Office action asserts that Leung teaches revoking the subright at the second device when the master right exits the network. The applicants respectfully disagree with this assertion. The Office action fails to identify where Leung provides this teaching.

The Office action asserts that if the transferring device logs off from the connection, the device revokes transferring the subright. This is an incorrect characterization of Leung. At the point of log off, Leung's first device has either transferred the sub-right or not. Once the subright is transferred, the second device is free to use the subright, independent of whether the first device remains in contact with the second device. If Leung's first device logs off before transferring the subright, there is no right at the second device to be revoked.

Because Leung fails to teach revoking a sub-right when the master right exits the network, as specifically claimed in claim 4, the applicants respectfully request the Examiner's reconsideration of the rejection of claims 4-7.

The Office action asserts that Leung teaches that control of the type of access that the second device is given to the associated content by the subright is set by the first device. The applicants respectfully disagree with this assertion.

Leung teaches that the sub-right is controlled by the issuer of the master right, and the first device re-writes the sub-right that is defined by the issuer into a form that is compatible with the second device. The applicants respectfully maintain that the form that is used to communicate a right has no bearing on the type of access that is granted by the right, and there is no suggestion in Leung that modifying the form of the right has any effect on the type of access that is granted by the right.

Because Leung fails to teach that control of the type of access that the second device is given to the associated content by the subright is set by the first device, as specifically claimed in claim 9, the applicants respectfully request the Examiner's reconsideration of the rejection of claim 9.

The combination of Leung, MessergesI, and MessergesII does not teach contacting the first device after receiving the subright and before exercising the subright by the second device. The Office action references the connection between the computer and portable device in Leung's figure 13, but the applicants respectfully note that Leung's figure 13 does not indicate that the portable device contacts the computer before exercising the received subright.

Because the combination of Leung, MessergesI, and MessergesII does not teach contacting the first device after receiving the subright and before exercising the subright by the second device, as specifically claimed in claim 11, the applicants respectfully request the Examiner's reconsideration of the rejection of claim 11.

The Office action fails to provide a basis for rejecting claim 10. If claim 10 is not allowed, the applicants respectfully request the issuance of a non-final amendment to provide the applicants an opportunity to amend claim 10 or present arguments to support its allowance over the stated basis for rejection.

In the interest of advancing prosecution in this case, the following comments are provided with respect to newly added independent claims 31, 36, 41, 44, and 45.

As noted above, neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests determining a distance between the first and second devices and distributing the subright to the second device if the distance is less than a predefined maximum distribution distance, as claimed in claim 31.

In like manner, neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests sending a response signal that is based on a signal from another device and a secret that is shared between the devices, to facilitate determining a distance between the devices, as claimed in claim 36.

As noted above, neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests contacting the other device before exercising the subright to access the content material, as claimed in claim 41.

Neither Leung, MessergesI, nor MessergesII, individually or in combination, teaches or suggests that the subright includes a quality parameter that defines the quality level at which the content material may be rendered at the second device, as claimed in claims 44 and 45. As noted above, Leung's reforming of the subright has no effect on the rights granted by the subright.

In view of the foregoing, the applicants respectfully request that the Examiner withdraw the objection(s) and/or rejection(s) of record, allow all the pending claims, and find the application in condition for allowance. If any points remain in issue that may best be resolved through a personal or telephonic interview, the Examiner is respectfully requested to contact the undersigned at the telephone number listed below.

Respectfully submitted,

/Robert M. McDermott/  
Robert M. McDermott, Esq.  
Reg. 41,508  
804-493-0707

**Please direct all correspondence to:**  
Corporate Counsel  
U.S. PHILIPS CORPORATION  
P.O. Box 3001  
Briarcliff Manor, NY 10510-8001